

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
FRANCHISE GROUP, INC., *et al.*) Case No. 24-12480 (JTD)
Debtors.) (Jointly Administered)
) Objection Deadline 1/3/2025
) Related to Docket # 487

**LIMITED OBJECTION AND RESERVATION OF RIGHTS OF KIMCO
LANDLORDS TO DEBTORS' NOTICE OF POSSIBLE ASSUMPTION AND
ASSIGNMENT AND CURE COSTS WITH RESPECT TO EXECUTORY
CONTRACTS AND UNEXPIRED LEASES**

Comes Now, Kimco Landlords ("Landlords) by and through the undersigned counsel and files this Limited Objection and Reservation of Rights to Debtors' Notice of Possible Assumption and Assignment and Cure Costs With Respect to Executory Contracts and Unexpired Leases (the "Notice") and in furtherance thereof states as follows:

1. Landlords and the Debtors are parties to unexpired nonresidential real property leases ("Leases")
2. Debtors filed their case under Chapter 11 of the Bankruptcy Code ("Bankruptcy Code") on November 3, 2024 ("Petition Date"). Debtors continue to act as debtors-in-possession pursuant to Bankruptcy Code §§ 1107 and 1108.

3. Debtors filed the Notice on December 20, 2024, which identifies the Leases below as subject to possible Assumption and Assignment:

Store #	Brand Account Name	Building: Building Name	City	State / Prov
595	Vitamin Shoppe	110260-280 Metro Center	Colma	CA
779	Vitamin Shoppe	114180-La Verne Towne Center	La Verne	CA
149	Vitamin Shoppe	114090-El Camino North	Oceanside	CA
567	Vitamin Shoppe	100380-Torrance Promenade	Torrance	CA
502	Vitamin Shoppe	105540-Home Depot Plaza - North Haven	North Haven	CT
333	Vitamin Shoppe	105480-West Farm S.C.	Farmington	CT
116	Vitamin Shoppe	100110-Plaza at Brandon Town Center	Brandon	FL
1019	Buddy's Home Furnishings	101240-Center at Missouri Avenue	Largo	FL
9028	Pet Supplies Plus	117240-Fellsway @ 630	Medford	MA
414	Vitamin Shoppe	111140-Festival at Hyannis S.C.	Hyannis	MA
66	Vitamin Shoppe	102010-Columbia Crossing	Columbia	MD
342	Vitamin Shoppe	110120-Webster Square	Nashua	NH
9058	Pet Supplies Plus	117320-Plaza at Short Hills	Millburn	NJ
82	Vitamin Shoppe	110080-Commons at Holmdel	Holmdel	NJ
357	Vitamin Shoppe	113140-Del Monte Plaza	Reno	NV
636	Vitamin Shoppe	113780 Sunset Valley Marketfair	Austin	TX
375	Vitamin Shoppe	111970-Las Tiendas Plaza	Brownsville	TX
172	Vitamin Shoppe	113550-Copperwood Village	Houston	TX
603	Vitamin Shoppe	118220 North Creek Plaza	Laredo	TX
365	Vitamin Shoppe	120540 Northcross S.C.	McAllen	TX
872	Vitamin Shoppe	117500-Grand Parkway Marketplace	Spring	TX
509	Vitamin Shoppe	109160-Smoketown Station-Block 2	Woodbridge	VA
109	Vitamin Shoppe	111750-Dulles Town Crossing	Sterling	VA

Objection to Cure Amount

4. Landlords object to the Cure Costs for the leases set forth below and identify the correct cure which is further documented in Exhibit A attached hereto and incorporated herein by reference:

Brand Account Na	Building: Building Name	City	State	Store#	Debtor Cure	Landlord Cure
Vitamin Shoppe	110260-280 Metro Center	Colma	CA	595	\$0.00	\$72.50
Vitamin Shoppe	114180-La Verne Towne Center	La Verne	CA	779	\$0.00	\$5,306.01
Vitamin Shoppe	114090-El Camino North	Oceanside	CA	149	\$1,431	\$28,867.52
Vitamin Shoppe	100380-Torrance Promenade	Torrance	CA	567	\$0.00	\$1,037.58
Vitamin Shoppe	100110-Plaza at Brandon Town C	Brandon	FL	116	\$0.00	\$1,473.61
Buddy's Home Furni	101240-Center at Missouri Avenu	Largo	FL	1019	\$481.83	\$4,199.71
Pet Supplies Plus	117320-Plaza at Short Hills	Millburn	NJ	9058	\$0.00	\$686.70
Vitamin Shoppe	118220-North Creek Plaza	Laredo	TX	603	\$766.67	\$12,891.34
Vitamin Shoppe	120540-Northcross S.C.	McAllen	TX	365	\$875.38	\$4,213.77
Vitamin Shoppe	111970-Las Tiendas Plaza	Brownsville	TX	375	\$0.00	\$4,248.69

5. Furthermore, in regard to all of the Leases additional amounts may come due regarding the Actual Cure Cost, and Debtors will remain liable for all such amounts as they come due under the Lease.

6. Bankruptcy Code § 365(b) provides that a debtor may not assume an executory contract or unexpired lease unless the debtor cures, or provides adequate assurance that it will cure, defaults in such executory contract or unexpired lease. Thus, any order approving cure costs and assumption of the Lease must require that Debtors escrow and/or segregate sufficient funds to fully compensate Landlords for at least the Actual Cure Cost.

7. Landlords will continue to incur charges under the Lease through the effective date(s) of any assumption of the Lease and reserve all rights regarding the same.

8. In addition, any proposed assignee will be required to pay any as yet unbilled costs including, but not limited to, any 2024 CAM or RET reconciliations that will be calculated and billed in 2025.

9. Based on the foregoing, and as a condition to any assumption of any of the Leases, Debtors must first pay Landlords the Actual Cure Cost, plus any and all additional unpaid charges incurred under the Lease through the effective date of any assumption(s) of the Lease.

10. Landlords reserve the right to supplement, modify, and/or amend this Objection and make any and such other and further objections to the Notice and related transactions, including any assumption and/or assignment of any of the Leases. Nothing set forth in this Objection shall constitute a waiver, discharge, or disallowance of any rights, claims, causes of actions, or defenses that Landlords have asserted or may assert against Debtors.

WHEREFORE, Landlords request that the Court enter an Order denying assumption of the Lease unless and until the Debtors cure the existing default and pay to Landlords the Actual Cure Costs set forth above, plus all additional charges incurred under the Lease through the assumption's effective date and further that any charges that come due post assignment remain the liability of any assignee.

Dated: December 26, 2024

MONZACK MERSKY AND BROWDER, P.A.

/s/ Rachel B. Mersky

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